



The President's Daily Brief

~~Top Secret~~ 17 January 1969

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THE PRESIDENT'S
DAILY BRIEF
17 JANUARY 1969

1. Soviet Union

Soyuz 4, with its crew of three, returned safely to the Soviet Union early this morning. Soyuz 5 remains in orbit. The next opportunity for recovering it occurs early tomorrow morning. The Soviets probably fulfilled the major goals for this mission--the docking of two manned spacecraft and the transfer of two crewmen from Soyuz 5 to Soyuz 4. These accomplishments represent important developments in proving some of the hardware and techniques required for space rescue and for orbiting and maintaining manned space stations.

2. Nonproliferation
Treaty

Italy has recently contacted several holdout governments in an effort to induce them to join it in signing the treaty late this month. According to a foreign ministry official, the results were as follows:

--Turkey has agreed to sign at about the same time as Italy.

--Indonesia gave a "positive response" but no precise date.

--Australia and Japan apparently will sign after US ratification.

--Switzerland will consider the matter again in the spring.

--Spain wants to link its signature with the Gibraltar issue.

--West Germany is awaiting further talks with the US.

--Israel is not yet ready to sign in view of the still unresolved problem of "American security guarantees."
(This is Israel's first explicit connection of its willingness to sign with its desire for security assurances from the US.)

3. Poland

Party leader Gomulka appears to be using the knife on one of his main challengers, party secretary and alternate politburo member Mieczyslaw Moczar. He is reported to have engineered some shifts of provincial party leaders aimed at weakening Moczar's support. In addition, it is rumored that Moczar men in the Internal Affairs Ministry--which Moczar once headed--are being ousted.

Moczar has been out of public sight for more than two weeks; this has fed further speculation that he is under house arrest.

4. Brazil

Yesterday, additional prominent Brazilians--including several supreme court members and a number of congressmen--were stripped of their political rights. More may follow. This action is primarily a victory for those hard-line elements in the government who have been demanding that Costa e Silva use his dictatorial powers to "clean out subversives."

5. Mexico

Two Soviets, ostensibly trade union officials, have been expelled for meddling in Mexican affairs. Their arrival last week from Cuba was by invitation from a Communist union which recently hit a sensitive nerve by calling for drastic action on agrarian problems. The Soviets were summarily deported after contacting a second labor union despite a government warning against such interference. Thus far, the Mexicans have not publicized the incident.

6. Peru

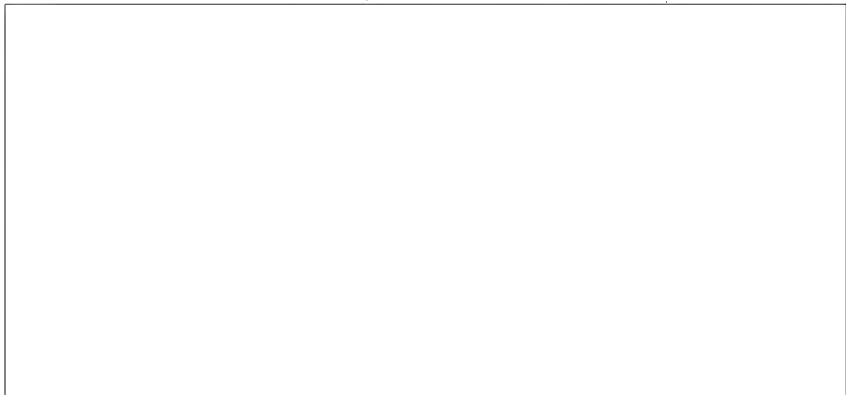
The government appears ready for a final move against the International Petroleum Company. A source close to President Velasco now says that regardless of whether the company pays a disputed bill for oil products drawn from its expropriated refinery, its remaining assets will be seized "within a few days." These assets are largely distribution facilities.

7. South Vietnam

The Liberation Front delegation in Paris is preparing to smear South Vietnamese chief delegate Pham Dang Lam by publishing in Saigon the story that he brought his mistress, an actress, to Paris.

Vice President Ky fought this kind of extra-delegation activity, hoping to avoid scandal. True or not, the story will not endear Lam to Ky, who already is opposed to having Lam on the delegation.

8. Turkey -
West Germany

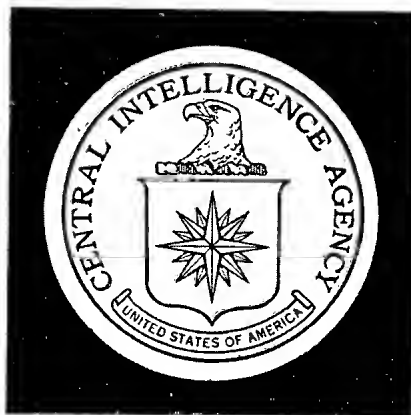


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FOR THE PRESIDENT'S EYES ONLY

- 1.) Special Daily Report on North Vietnam
- 2.) North Vietnamese Reflections of U S
Political Attitudes



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Special Daily Report on North Vietnam
for the President's Eyes Only

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I. NOTES ON THE SITUATION

Ranking Soviet Official to Go to Hanoi: Our embassy in Moscow has learned from the Lao ambassador that the chief of the Southeast Asia division of the Soviet Foreign Ministry, Mikhail Kapitsa, expects to leave on a trip to Southeast Asia later this month. Kapitsa's trip supposedly is to include Hanoi as well as Phnom Penh, Vientiane, and maybe Djakarta. If the report is true

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he would be the first top drawer Soviet we have identified as stopping in Hanoi in three years.

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Agricultural Cooperatives Permit Too Much Private Enterprise: Contracts are being let to individual families for the tilling of collective lands, and this was criticized by the party's main daily, Nhan Dan, on 10 January. The ideologues apparently are worried that this will lead to "letting everyone do what he likes." This bothers them because they are in a dilemma: under present conditions, the contract system "is needed to stimulate peasant eagerness to work."

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Management Problems: The 11 January issue of Nhan Dan declared that "in recent years, many production units have neglected organization and managerial tasks...." As a result, "labor output in general has declined, whereas the cost of products has remained high. Wasting manpower and wealth have become relatively popular practices." These problems, it was said, must be overcome if 1969 economic work is to improve and the plan for the year fulfilled.

Since the bombing halt, the North Vietnamese press has been quite candid in discussing problems in management and labor efficiency. It is possible that these problems have been aggravated by a psychological letdown among the population and that the government is attempting to counter this tendency.

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Power Plant Construction and Repairs: Since April 1968 there has been a continuous program of repairs to the nine power plants in the Hanoi-Haiphong network, according to photography. The repairs have apparently been restricted to the less heavily damaged boilers and generating equipment, or to equipment for which parts could be easily obtained. Blast walls have been completed or are under construction at all nine plants. Meanwhile, construction has been resumed on new hydropower plants near Lao Cai on the Chinese border, and Lang Chi, which is northwest of Hanoi in the Red River delta.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

There is nothing of significance to report today.

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